

**PILLSBURY WINTHROP SHAW PITTMAN LLP**

Leo T. Crowley (LC-1311)

Erica Carrig (EC-2096)

1540 Broadway

New York, NY 10036-4039

Phone: 212-858-1000

Facsimile: 212-858-1500

*Attorneys for Misys IQ LLC and  
Summit Systems, Inc.*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----x  
**In re** : **Chapter 11**  
**LEHMAN BROTHERS HOLDINGS INC., et al.,** : **Case No. 08-13555 (JMP)**  
**Debtors.** : **(Jointly Administered)**  
-----x

**LIMITED OBJECTION OF MISYS IQ LLC AND  
SUMMIT SYSTEMS, INC. TO DEBTORS' CURE NOTICE**

Misys IQ LLC (“Misys”) and Summit Systems, Inc. (“Summit”) respectfully submit this Limited Objection to the Cure Notice (the “Cure Notice”) posted online by the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) at 1:07 a.m. on September 19, 2008, with respect to certain executory contracts with Misys and Summit. In support of this Objection, Misys and Summit respectfully state as follows:

**BACKGROUND**

1. Misys currently licenses a software product called “Loan IQ” (the “Loan IQ Licensed Product”) to Lehman Brothers Holdings Inc. (“LBHI”) pursuant to a certain Software License and Services Agreement dated October 15, 1999 (the “Master License Agreement”), together with (i) Licensed Product Orders LP-001, LP-002, LP-003, LPO-004, LPO 2007-A, and

LPO 2007-B; (ii) License Schedule No. 1; (iii) License Schedule No. 2; and (iv) License Schedule No. 3 (collectively, the “Loan IQ License Agreements”). In addition to the license of the Loan IQ Licensed Product, Misys also provides certain services to LBHI and certain of its non-debtor affiliates such as installation and technical support with respect to the Loan IQ Licensed Product.

2. Summit licenses a separate software product to Lehman Brothers Inc. (“LBI”), a non-debtor entity, called “Summit Systems” (the “Summit Licensed Product”) pursuant to a certain Consulting and License Agreement dated March 31, 1992 (the “Summit License Agreement”), together with (i) a Letter Agreement dated March 13, 2002; and (ii) Amendment No. 1 to Consulting and License Agreement dated August 20, 2008, between Lehman Brothers Inc. and Summit (collectively, the “Summit License Agreements”).

### **OBJECTION TO IDENTIFICATION OF CONTRACTS**

3. In the Cure Notice<sup>1</sup> posted online on September 19, 2006, the Debtors appear to indicate that the Loan IQ License Agreements are among the Closing Date Contracts to be assumed and assigned to the Purchaser on the Closing Date. However, the Cure Notice does not describe any of the Loan IQ License Agreements with specificity. Rather, the Cure Notice provides only that the “Master Agreement” and several generic “Amendment/Addendum/Schedule” or “TBD” contracts will be assumed. Thus, it is unclear if the Debtors intend to assume each of the Licensed Product Orders and the Schedules that comprise the Loan IQ License Agreements.

---

<sup>1</sup> Capitalized terms that are not otherwise defined in this Objection shall have the meanings ascribed to them in the Court’s Order (I) Approving The Break-Up Fee And Expense Reimbursement, (II) Certain Matters Relating To Competing Bids, If Any, (III) Approving The Form And Manner Of Sale Notices And (IV) Setting The Sale Hearing Date In Connection With The Sale Of Certain Of The Debtors’ Assets (the “Procedures Order”) entered on September 17, 2008.

4. In addition, the Cure Notice is even more unclear with respect to the Summit License Agreements. The first part of the Cure Notice identifies each assumed vendor name in alphabetical order. Summit is not on that list. However, Summit is listed on Exhibit A to the Cure Notice which sets forth the Debtors' proposed Cure Amounts with respect to each assumed contract. Thus, Summit has no way of knowing if it, in fact, holds contracts that will be assumed at the Closing Date.

5. Misys and Summit do not object in concept to the assumption and assignment of the Loan IQ License Agreements or the Summit License Agreements that appear to be included among the Closing Date Contracts to the Purchaser. Misys and Summit do, however, object to the ambiguity with which the Debtors have identified the Loan IQ License Agreements and the Summit License Agreements to be assumed.

6. The Loan IQ License Agreements and the Summit License Agreements to be included among the Closing Date Contracts need to be identified with more specificity so that Misys, Summit, the Debtors and the Purchaser have a clear and consistent understanding of which contracts are being assumed and assigned in this instance.

#### **OBJECTION TO CURE AMOUNT**

7. Misys and Summit object to the Cure Amounts proposed by the Debtors with respect to both the Loan IQ License Agreements and the Summit License Agreements. The Cure Notice provides that the Cure Amount for the Loan IQ License Agreements is \$0. Similarly, the Cure Notice provides that the Cure Amount for the Summit License Agreements is \$0.

8. Based upon an initial review of Misys' books and records, Misys currently believes that the Debtors are obligated to pay not less than \$413,377.62 in order to cure existing payment defaults on the Loan IQ License Agreements (the "Corrected Loan IQ Cure Amount").

9. Based upon an initial review of Summit's books and records, Summit currently believes that the Debtors are obligated to pay not less than and \$596,712.50 in order to cure existing payment defaults on the Summit License Agreements (the "Corrected Summit Cure Amount").<sup>2</sup>

10. Attached hereto as Exhibit A is a spreadsheet summarizing the amounts due and owing under the Loan IQ License Agreements and Summit License Agreements together with supporting invoices.

#### **PROPOSED CURE DISPUTE RESOLUTION PROCEDURES**

11. As of right now, the Debtors are proposing in their Proposed Order (A) Authorizing and Approving the Sale of Purchased Assets Free and Clear of Liens and Other Interests and (B) Assumption and Assignment of Executory Contracts and Unexpired Leases (the "Proposed Sale Order") that "[a]ny objections to either the Cure Amount...or the assumption and assignment of any of the Closing Date Contracts to the Purchaser are hereby overruled." Proposed Sale Order at 9. Although Misys and Summit understand the need for an expeditious sale process, the counterparties to the Debtors' proposed assumed contracts simply have not had any time to have meaningful dialogue with the Debtors regarding their proposed Cure Amounts.

12. Misys and Summit submit that a process should be established by which disputes relating to the Debtors' proposed Cure Amounts can be resolved in an expeditious manner. This process can be effected after the Closing Date. For example, this Court could order that the Debtors and parties with disputed cure claims could seek to resolve such disputes within ten (10) days following the Closing Date. If such disputes cannot be resolved, the Court can set a hearing to decide all such disputes.

---

<sup>2</sup> Misys and Summit reserve the right to amend the Corrected Loan IQ Cure Amount and the Corrected Summit Cure Amount after further investigation of its books and records.

13. Before the Debtors can assume any contract it must either “cure” such contract, or provide “adequate assurance” of such cure under section 365 of the Bankruptcy Code. At present, the Debtors’ Proposed Sale Order does neither. Accordingly, pursuant to paragraph 12(c) of the Procedures Order, Misys and Summit object to the Cure Notice, requests that the Court require the Debtors to identify the Loan IQ License Agreements and the Summit License Agreements with greater specificity, and request that the Court require the Debtors to pay the Corrected Loan IQ Cure Amount and the Corrected Summit Cure Amount as a condition to the Closing Date. In the alternative, Misys and Summit request that the Court establish a process to resolve the claims of Misys and Summit post-closing. Misys and Summit are willing to have the Loan IQ License Agreements and the Summit License Agreements assumed and assigned as long as there is no adjudication in the sale approval order adverse to their claims.

WHEREFORE, Misys and Summit respectfully request that the Court (i) enter an order requiring the Debtors to identify the Loan IQ License Agreements and the Summit License Agreements to be included in the Closing Date Contracts with greater specificity; (ii) directing payment in full of the Corrected Loan IQ Cure Amount and the Corrected Summit Cure Amount to Misys and/or Summit on the Closing Date as a condition to the Debtors' assumption and assignment of the contracts to the Purchaser; or in the alternative (iii) establish a process to resolve disputed Cure Amount claims post-closing; and (iv) grant Misys and Summit such other and further relief as this Court may deem just and proper.

Dated: September 19, 2008  
New York, New York

By: /s/ Leo T. Crowley  
Leo T. Crowley (LC-1311)  
Erica Carrig (EC-2096)  
**PILLSBURY WINTHROP SHAW PITTMAN LLP**  
1540 Broadway  
New York, NY 10036-4039  
Phone: 212-858-1000  
Facsimile: 212-858-1500  
*Attorneys for Misys IQ LLC and Summit Systems, Inc.*

# Exhibit A.

Misys

Lehman Brothers - Current outstanding payments  
19 September 2008

						<i>Amounts in US\$</i>
Date	Inv #	Initial License Fee	Recurring License Fee	Professional Services	Sales Tax	Gross
						Net Charges
<b>LBH - Invoices Outstanding For Loan IQ</b>						
28-Feb-08	IQ00537			12,000.00	-	12,000.00
31-May-08	L00803		263,219.00		18,425.00	281,644.00
5-Jun-08	US2000027	75,000.00			5,250.00	80,250.00
30-Jun-08	US2000028			19,312.50	-	19,312.50
30-Jun-08	US2000044		4,716.00		330.12	5,046.12
31-Jul-08	US2000066			6,000.00	-	6,000.00
31-Jul-08	US2000054			9,125.00	-	9,125.00
		<b>75,000.00</b>	<b>267,935.00</b>	<b>46,437.50</b>	<b>24,005.12</b>	<b>413,377.62</b>
 <b>LBI- Invoices Outstanding For Summit</b>						
27-Feb-08	8467			650.00	-	650.00
9-Sep-08	US50000182	500,000.00			41,875.00	541,875.00
9-Sep-08	US50000183	50,000.00			4,187.50	54,187.50
		<b>550,000.00</b>		<b>650.00</b>	<b>46,062.50</b>	<b>596,712.50</b>
<b>Total Outstanding</b>		<b>625,000.00</b>	<b>267,935.00</b>	<b>47,087.50</b>	<b>70,067.62</b>	<b>1,010,090.12</b>



1180 Avenue of the Americas  
4th Floor  
New York, New York 10036  
Tel: 212.349.9100  
Fax: 212.349.9500  
www.misys.com

*Invoice # IQ000537  
Ref# DQ101017*

*Lehman Brothers  
745 7th Avenue  
New York, NY 10019  
Attention: Anthony Felella*

**Terms: Due upon receipt**

**Date: 02/29/08**

---

**Description:**

---

Lehman-NYC IQ Addl Rel 5.4 Support

Customer requires additional continued support of Loan IQ Release 5.4

12,000.00

*Check remittances should be payable to:*

*Misys IQ LLC  
1180 Avenue of the Americas, 4th Floor  
New York, NY 10036  
Wire Transfers:  
HSBC Bank USA N.A.  
452 Fifth Avenue  
New York, NY 10018*

<b>Invoice Sub Total</b>	<b>Payable in Usd Dollars</b>		<b>\$12,000.00</b>
<b>Sales Tax Amount</b>			
<b>* GRAND TOTAL</b>			<b>\$12,000.00</b>



**Lehman Brothers Inc.**  
Attn: Stu Brown  
745 7th Avenue, 16th Floor  
New York, New York 10019

1180 Avenue of the Americas  
**Invoice # L00803** 998 9500  
New York, New York 10036  
**Terms: Upon Receipt** F. +1 212 898 9510  
**Date: 5/31/08** [www.misys.com](http://www.misys.com)  
**Account # DQ101017**

---

**Description:**

---

**Annual License Fees of USD \$315,00 for Misys Loan IQ™ Release 5.4**  
**LPO 2007-B**

Pro-rated for the period covered from January 1, 2008 to October 31, 2008

263,219

**Product: Misys Loan IQ**

**Site: NJ, NY, London, Tokyo**

**Check remittances should be payable to:**

MISYS IQ LLC  
1180 Avenue of the Americas  
New York, NY 10036

**Wire Transfers:**  
HSBC Bank USA N.A.

<b>Invoice Sub Total</b>	<b>Payable in U.S. Dollars</b>	263,219
NJ Sales Tax 7%		18,425
<b>* GRAND TOTAL</b>		<b>281,644</b>



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor

Date: 6/5/2008

New York, New York 10019

Invoice No: US20000027

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No: License Sch 2  
SFDC No: ON11784

**T ILF AM LI (Lehman Brothers) / PRJ601103**

Initial License Fee for License Schedule No. 2

Due on the Schedule Effective Date

Trade Date Accounting

**NET TOTAL** **USD** 75,000.00

**Sales Tax @ 7 %** **USD** 5,250.00

**TOTAL** **USD** 80,250.00

Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor  
New York, NY 10036

Wire Transfers:

Please note that our payment terms are 15 days net  
Any inquiries, please email at [NY 1180-AccountsReceivableInquiry@misys.com](mailto:NY 1180-AccountsReceivableInquiry@misys.com).



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 6/30/2008

Invoice No: US20000028

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No:

T PS AM IQ Lehman-NY 6.0 Upgrade / PRJ600418

NET TOTAL USD 19,312.50

Sales Tax @ 0 % USD 0.00

**TOTAL USD 19,312.50**

Where appropriate, attachments have been included  
Check remittances should be payable to:

Misys IQ LLC  
1180 Avenue of the Americas, 4th Floor

Wire Transfers:

Please note that our payment terms are 5 days net  
Any inquiries, please email at [NY1180-AccountsReceivableInquiries@misys.com](mailto:NY1180-AccountsReceivableInquiries@misys.com)



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 6/30/2008

Invoice No: US20000044

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No: Lic. Sch. 2

### T RLF AM LI: Lehman Maintenance Lic. Sch. 2 / PRJ601632

Annual License Fees for Trade Date Accounting of USD 11,250 on License  
Schedule2

Prorated Fees for the period of June 1, 2008 through October 31, 2008

NET TOTAL USD 4,716.00

Sales Tax @ 7 % USD 330.12

**TOTAL USD 5,046.12**

Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor  
New York, NY 10036

Wire Transfers:

Please note that our payment terms are 30 days net  
Any inquiries, please email at [NY 1180-AccountsReceivableInquiry@misys.com](mailto:NY 1180-AccountsReceivableInquiry@misys.com).



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 31-Jul-2008

Invoice No: US20000066

1180 Avenue of the Americas  
4th Floor  
New York, New York 10036  
T. +1 212 898 9500  
F. +1 212 898 9510  
www.misys.com

Attn: Attn: Stu Brown

Ref: D1034200US

Contract No:

TPS AM IQ Lehman-NY 6.0 Upgrade / PRJ600418

NET TOTAL	USD	6,000.00
Sales Tax @ 0 %	USD	0.00
<b>TOTAL</b>	<b>USD</b>	<b>6,000.00</b>

Check remittances should be payable to:

Misys IQ LLC  
1180 Avenue of the Americas, 4th Floor  
New York, NY 10036

Wire Transfers:

Please note that our payment terms are 30 days net

For further inquiries, please contact the account receivable team at: NY1180-AccountsReceivableInquiry@misys.com



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 31-Jul-2008

Invoice No: US20000054

1180 Avenue of the Americas  
4th Floor  
New York, New York 10036  
T. +1 212 898 9500  
F. +1 212 898 9510  
www.rmisys.com

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No:

T PS AM IQ Lehman-NY 6.0 Upgrade / PRJ600418

<b>NET TOTAL</b>	<b>USD</b>	9,125.00
<b>Sales Tax @ 0 %</b>	<b>USD</b>	0.00
<b>TOTAL</b>	<b>USD</b>	9,125.00

Check remittances should be payable to:

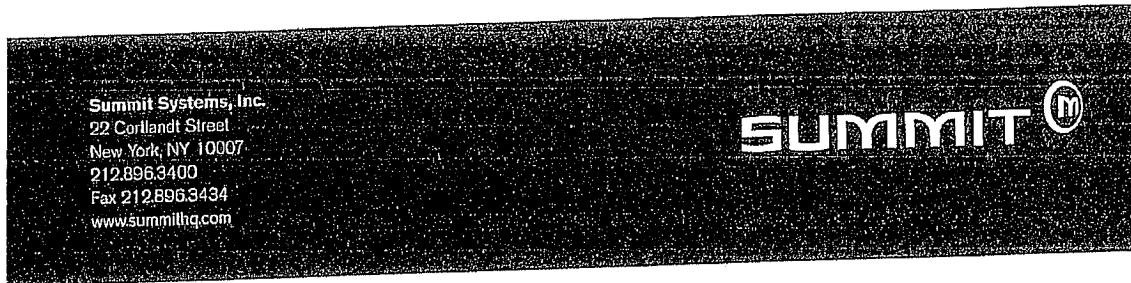
Misys IQ LLC

1180 Avenue of the Americas, 4th Floor  
New York, NY 10036

Wire Transfers:

Please note that our payment terms are 30 days net

For further inquiries, please contact the account receivable team at: NY1180-AccountsReceivableInquiry@misys.com



Hugh Evans  
Lehman Brothers  
1301 6th Avenue 2nd floor  
New York, NY 10019

**INVOICE**

Account # D1034200US

Invoice Number: 8467

Date: February 27, 2008

Terms: Payable 30 Days

Professional services rendered for January 19, 2008 - February 15,  
2008

	<u>Amount</u>
PS assistance with client dev of dmPL_BOOK_STATUS validation (W05256)	\$650.00
<b>Total Amount Due</b>	<b>\$650.00</b>

Please submit all wire and check payments to SUMMIT SYSTEMS, INC  
at the following address:

 Summit Systems, Inc is a member of the Misys group of companies

**Summit Systems Inc.**

22 Corlandt Street  
New York, NY 10007  
212.896.3400  
Fax 212.896.3434  
[www.summithq.com](http://www.summithq.com)

**INVOICE**

Lehman Brothers Inc  
70 Hudson Street

10th Floor  
Jersey City, NJ 07302

Date: 09-Sep-2008

Invoice No: US50000182

Ref: D1034200US

Attn: Samona Ramsaywack

Contract No: Amendment No. 1

T ILF AM SU: Lehman Amendment No. 1 / PRJ602518

Lehman shall pay a fee amount upon execution of Amendment No. 1.

Pursuant to Section 3, 4 and 5 of the Letter Agreement with relation to the period commencing on January 1, 2005 and terminating June 30, 2008.

<b>NET TOTAL</b>	<b>USD</b>	<b>500,000.00</b>
<b>Sales Tax @ 8.375 %</b>	<b>USD</b>	<b>41,875.00</b>
<b>TOTAL</b>	<b>USD</b>	<b>541,875.00</b>

Where appropriate, attachments have been included

Please submit all wire and check pay

at the following address:

Please note that our payment terms are 30 days net

For further inquiries, please contact the account receivable team at: [NY1180-AccountsReceivableInquiry@misys.com](mailto:NY1180-AccountsReceivableInquiry@misys.com)

**Summit Systems Inc.**

22 Cortlandt Street  
New York, NY 10007  
212.896.3400  
Fax 212.896.3434  
[www.summithq.com](http://www.summithq.com)

**INVOICE**

Lehman Brothers Inc

70 Hudson Street  
10th Floor  
Jersey City, NJ 07302

Date: 09-Sep-2008

Invoice No: US50000183

Ref: D1034200US

Attn: Samona Ramsaywack

Contract No: Amendment No. 1

TILF AM SU: Lehman Amendment No. 1 / PRJ602518

Quarterly installments as compensation for the right to process up to 62,500 third-party transactions annually from July 1 through June 30 using the Licensed Software under Amendment No. 1

<b>NET TOTAL</b>	<b>USD</b>	50,000.00
<b>Sales Tax @ 8.375 %</b>	<b>USD</b>	4,187.50
<b>TOTAL</b>	<b>USD</b>	54,187.50

Where appropriate, attachments have been included.

Please submit all wire and check payment  
at the following address:

Please note that our payment terms are 30 days net.

For further inquiries, please contact the account receivable team at: [NY1180-AccountsReceivableInquiry@misys.com](mailto:NY1180-AccountsReceivableInquiry@misys.com)